

NEWS

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Air District Scores \$620,000 in Tosco Penalty Settlement

The Bay Area Air Quality Management District has negotiated an innovative settlement totaling \$620,000 which includes civil penalties, permanent retirement of emissions credits and the funding for air monitoring equipment. The settlement resolves 86 violation notices issued by the Air District from late 1997 through January 2000 to Tosco's refineries in Rodeo and Martinez, California.

Tosco will pay a monetary civil penalty of \$314,530 to the Air District and surrender for permanent retirement 37 tons per year of emission credits valued at \$270,470. In addition, Tosco agrees to buy and install a hydrogen sulfide ground level air-monitoring unit in the City of Martinez downwind of the Tosco facility.

The retired emissions credits include 28 tons of volatile organic compounds and 9 tons per year of oxides of nitrogen, both smog-forming gases. Emissions credits are generated when facilities clean up their processes or reduce the amount of emissions beyond reductions required by law. If they are not permanently retired, the 37 tons per year of emissions credits could have been used at a later time or sold on the open market to allow for industrial expansion and increased emissions.

"This is one of the Air District's largest violation settlements," stated the Air District's Executive Officer Ellen Garvey. "The emissions credits are now permanently deleted from the Air District's emissions inventory and can never be used again. In essence, the Air District now has 37 tons per year less smog-producing gases to worry about," Garvey added.